

CITY COMMISSION MINUTES

September 7, 2010

7:00p.m.

The regular meeting of the Junction City City Commission was held on Tuesday, September 7, 2010 with Vice Mayor Ken Talley presiding.

The following members of the Commission were present: Terry Heldstab, Scott Johnson, Ken Talley, and Jack Taylor. Staff present was: City Manager Gerry Vernon, City Attorney Catherine Logan, and City Clerk Tyler Ficken.

PUBLIC COMMENT

Mary Somerack stated that people in the community are using the Salvation Army serviced at an increasing rate. She stated that people will be harmed by the utility bill increase. She stated that the Commission needs to re-establish credibility with the community.

Matt Jackson Fire Department union representative stated that the union has no opinion on utility rate increases. He stated that younger employees who are starting families and buying homes will be hit the hardest on the furlough. He stated that he would have liked to have seen these issues addressed earlier in the year; he would like to see people on the same page.

John Stewart stated that private trash haulers do a better job. He stated that there was a surplus in the water & sewer fund that is now gone. He stated that he thought the 1% sales tax took care of this. Commissioner Johnson stated that City Manager Vernon was dealt a bad hand here, and stated that he is not in favor of the City providing residential trash service exclusively.

Deb Johnston stated that she has private trash service with Waste Management, and stated that the City treated the company poorly in the past.

Bill Kausler stated that he does not agree with the furlough and the citizens as a whole need to pay for the problem.

Gerald Gerloff stated that positions at Police & Fire have already taken cuts, and further cuts would not be good. He stated that the City Manager said there would be balanced budget and surplus in the future. He asked what happened to that idea. Commissioner Johnson stated that the Finance Manager and City Manager will take cuts in pay with the rest of the staff.

Allen Scott stated that he helped people during the Great Depression and he is now willing to pay the remainder of his Water & Sewer bill for the rest of the year to help. He asked for other citizens to pay their water bills in advance for the remainder of the year to help the City.

Troy Sanders of Waste Management stated that he opposes City exclusivity of trash service for residential properties.

John Mallon stated that his business will not grow if the City is exclusive on residential trash service.

John Soswelowski stated that he switched from Veolia to a private trash hauler because of service issues.

CONSENT AGENDA

Commissioner Johnson requested the removal of three items from the appropriations which included payments to Ventria, CapGemmini, and The Bluffs. Commissioner Johnson stated that he would not vote for these items until they are investigated. Finance Director Beatty stated that the Bluffs item is for the IRB agreement, and the Ventria payment will end on January of 2011. Commissioner Taylor stated that he was told by the prior City Manager that the City would not be held liable for IRBs. City Attorney Logan stated that the City approved payment by Charter Ordinance and that this item was clear in the past. Commissioner Johnson stated that these companies need to show up to the Commission to explain themselves.

The consideration and approval of **Appropriation Ordinance A-17-2010** dated August 12 – September 1, 2010 in the amount of \$1,035,225.26. Commissioner Heldstab moved, seconded by Commissioner Taylor to approve the Consent Agenda as amended. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

Approval of the **August 17, 2010** City Commission Meeting Minutes. Commissioner Heldstab moved, seconded by Commissioner Taylor to approve the Consent Agenda as amended. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

Consideration and approval to receive grant award in the increased amount of \$47,211.00 for the Open Door. Commissioner Heldstab moved, seconded by Commissioner Taylor to approve the Consent Agenda as amended. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

Monthly Reports:

1. Water Department

The Consideration and approval of Payroll #16 and #17 for the month of August 2010. Commissioner Heldstab moved, seconded by Commissioner Taylor to approve the Consent Agenda as amended. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

The consideration and approval of Pay Estimate #2 in the amount of \$120,473.91 to Clarke Well & Equipment, Inc. for construction of Water Supply Well No. 18. This project is 68.71% complete as of this Pay Estimate. Commissioner Heldstab moved, seconded by Commissioner Taylor to approve the Consent Agenda as amended. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

Commissioner Heldstab moved, seconded by Commissioner Taylor to approve Ventria payment. Ayes: Heldstab, Talley. Nays: Johnson, Taylor. Motion failed.

Commissioner Heldstab moved, seconded by Commissioner Taylor to table the remaining to items on The Bluffs and CapGemini. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

SPECIAL PRESENTATIONS

A Proclamation recognizing October 21, 2010 as Wamego Dutch Mill Sweet Adelines Day. Vice Mayor Talley read and presented the proclamation.

Presentation of a Certificate of Appreciation to Armour Eckrich on behalf of the City of Junction City. Removed from the agenda.

A special presentation by Jonice Pitts. Jonice Pitts stated that she was sad that the Commission had decided to sell a building that was important to the black community. She questioned why it had been decided that this property would be sold first when the City owns other properties. Commissioner Johnson stated that he wants all City owned properties to be sold. Commissioner Johnson stated that the Turning Point Church followed the rules of the bid process. Jonice Pitts stated that the City had funds two years ago to establish the Buffalo Soldier Museum. Commissioner Johnson stated that there should have been no promises on funding. Jonice Pitts stated that the City went through this process too fast. Jonice Pitts's daughter read an article from the Daily Union in which Commissioner Johnson was quoted as saying that renters use too many social services and increase crime. Commissioner Johnson stated that the Daily Union should not be believed, and that he does not sugar coat issues.

A special presentation by Nicholas Blake. Nick Blake stated that he has been with the Junction City Police department for 6.5 years. He stated that the Police Department has made sacrifices to help the City's financial situation by having positions frozen or cut. He requested that the Commission not punish the families of Police Officers. He stated that fewer officers will increase crime, and officers will look for jobs elsewhere.

PUBLIC HEARING

UNFINISHED BUSINESS

The consideration and approval to **change the fine and court costs schedule** for the Junction City Municipal Court, and modify the process for any future changes to fines and court costs from a Charter Ordinance to a General Ordinance.

1. Approve General Ordinance **G-1076. (Final Reading).**

Commissioner Heldstab moved, seconded by Commissioner Taylor to approve G-1076 on final reading. Ayes: Heldstab, Talley, Taylor. Nays: Johnson. Motion carried.

The consideration and approval of **Ordinance G-1075** amending Title IV, Subdivision Regulations, and Title V, Building and Construction, of City Code to add language

regarding exemptions to platting and adding language concerning when building permits may be issued on unplatted lands. **(Final Reading)** Commissioner Johnson moved, seconded by Commissioner Taylor to approve G-1075 on final reading. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

The consideration and approval of **Ordinance S-3085** authorizing the imposition of a one percent City-wide sales tax and related matters. **(Final Reading)** Commissioner Talley stated that it is important that these funds be spent as intended for debt reduction. Commissioner Taylor requested that information regarding funds collected from the increased tax be displayed on the City website. Finance Director Beatty stated that this would be done. Commissioner Heldstab moved, seconded by Commissioner Taylor to approved S-3085 on final reading. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

NEW BUSINESS

The consideration and approval of **G-1077** to update the City Ordinance to accurately reflect the new 2010 Standard Traffic Ordinance. Commissioner Taylor moved, seconded by Commissioner Heldstab to approve G-1077 on first reading. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

The consideration and approval of the sale or disposition of City properties. City Manager Vernon stated that the purpose of the item is to identify surplus property and how to dispose of the property. 136 E. 3rd Street is empty lot; with recommendation of accepting sealed bids for the property. Commissioner Johnson asked to know entire cost to the City prior to sale. Commissioner Heldstab stated that he sold this property to the City for approximately \$4,500.00. 215 E 14th St is empty lot; with recommendation of accepting sealed bids with no minimum. 436 W 11th; recommend to sell by sealed bid with no minimum bid. 617 N Washington; recommend selling with no minimum bid, or auction. Commissioner Johnson stated that there were mold problems with this building. Commissioner Taylor requested the building to be auctioned as is. Commissioner Heldstab stated that there are antique pictures in the building that are valuable; contents should be sold separately as well as large cabinets. Commissioner Heldstab stated that the roof was repaired. City Manager Vernon stated that the City staff would investigate the sale further prior to moving forward. Elmdale Ave property was potential self help housing projects land with water and sewer available; recommendation of staff is to have sealed bid with no minimum. Commissioner Talley suggested a minimum due to the potential value. Commissioner Johnson stated that the City should have right to reject the bids. Riley Manor Circle with an access issue; recommend with sealed bid with no minimum. S. Franklin empty lot but not buildable, need to would with adjacent owner to determine if they will take the land. W. 18th Street properties; recommendation is to keep the land as wilderness. Commissioner Talley asked how the City received the land. City Manager Vernon stated that the property is on the peak of a hill which may prevent future development. Commissioners would like the property to go to a sealed bid process. 10th and Washington lots include six properties; sell as one property with \$100,000.00 minimum bid. Commissioner Johnson thought there was a lot of City funds spent on this land, more than \$300,000.00. Commissioner Taylor liked the \$100,000.00 minimum.

Commissioner Johnson asked if there are additional properties to sell. City Manager Vernon stated that the City would need to work with the EDC on the industrial land on Grant Ave.

The consideration and approval of Ordinance G-1078 to amend the Current Municipal Code concerning water rates.

1. Approval of Ordinance G-1078 on **first reading.**
2. Approval of Declaration of Emergency
3. Approval of Ordinance G-1078 on **final reading.**

City Manager Vernon stated that this issue is not being brought to the Commission due to problems with the 2011 budget, but because of cash flow issues in 2010. The City needs approximately \$669,000.00 for the remainder of the year to pay bills. City Manager Vernon stated that everyone needs to chip in to solve this problem. City Manager Vernon stated that furloughs were chosen because to reduce staff levels at the required level, the City would not be able to operate. Commissioner Johnson stated that he would not vote for increases because developers have not been held accountable. Commissioner Talley asked if increases would roll back in 2011; Commissioner Talley stated that he does not want Fire and Police staff to be put in a position where they would be forced to prioritize emergencies on a regular basis. Commissioner Johnson stated that the City needs to go after money from the developers; the citizens should not be the first resort for funds. Commissioner Heldstab stated that the Commission could put together a letter to developers. Commissioner Johnson stated that he has been pushing for consequences to the developers for a year. City Manager Vernon stated that the development agreements are legal documents. Commissioner Johnson stated that the former Mayor was bribed. Commissioner Taylor asked if the furloughed employees would be eligible for unemployment. City Manager Vernon stated that the State has a shared work program that had potential, but Police and Fire would not be able to participate due to scheduling issues so the program is no longer being considered. Commissioner Johnson asked if the City has let any employees go. City Manager Vernon stated that staff reductions have occurred by way of an unofficial hiring freeze, and by not filling empty positions. Finance Manager Beatty stated that in 2011 the City would reduce the Water & Sewer rate to a \$7.00 per month increase; for the City to have the option of no fund warrants, the commission must show the State that actions have been taken by the Commission to remain solvent; the utility increase would be a step in that direction. Commissioner Taylor asked how the sales tax numbers are coming in. City Manager Vernon stated that staff has projected \$75,000.00 more than what was budgeted for in 2010. Commissioner Johnson said there should be a hiring freeze for the next year. City Manager Vernon stated that he would like to hire a City Attorney, and contract with an Engineering firm for services. Matt Jackson representing the Fire Union addressed the Commission and stated that 8 furlough days is a lot for families to take on; he stated that 4 days would be acceptable. Nick Blake representing the Police Union stated that 20 year employees will take less of a hit than newer employees, and fewer furlough days are better than more. Commissioner Johnson requested the increased utility charge for a 4 day furlough. Public Services Director Gowen stated that the 4 day furlough would be a \$19.00 utility increase. Commissioner Johnson moved, seconded by Commissioner Heldstab to approve G-1078 on first reading with a Water rate increase of \$12.00 per month until 2011 when it will be reduced to \$4.00. Ayes: Heldstab,

Johnson, Talley, Taylor. Nays: none. Motion carried. Commissioner Heldstab moved, seconded by Commissioner Johnson to approve Declaration of Emergency. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried. Commissioner Heldstab moved, seconded by Commissioner Johnson to approve G-1078 on final reading with a Water rate increase of \$12.00 per month until 2011 when it will be reduced to \$4.00. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

The consideration and approval of Ordinance G-1079 to amend the current municipal code concerning sewer rates.

1. Approval of Ordinance G-1079 on **first reading**.
2. Approval of Declaration of Emergency
3. Approval of Ordinance G-1079 on **final reading**.

Commissioner Heldstab moved, seconded by Commissioner Johnson to approve G-1079 on first reading with a Sewer rate increase of \$7.00 per month until 2011 when it will be reduced to \$3.00. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried. Commissioner Heldstab moved, seconded by Commissioner Taylor to approve Declaration of Emergency. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried. Commissioner Heldstab moved, seconded by Commissioner Johnson to approve G-1079 on final reading with a Sewer rate increase of \$7.00 per month until 2011 when it will be reduced to \$3.00. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

The consideration and approval of Ordinance G-1080 to amend the current municipal code concerning refuse rates.

1. Approval of Ordinance G-1080 on **first reading**.
2. Approval of Declaration of Emergency
3. Approval of Ordinance G-1080 on **final reading**.

Commissioner Heldstab moved, seconded by Commissioner Johnson to table G-1080 for modification and future discussion. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

The consideration and approval of a 12 month sub-lease agreement for the Opera House with the Junction City Little Theatre, Inc. Commissioner Heldstab moved, seconded by Commissioner Johnson to approve a 12 month sub-lease agreement for the Opera House with the Junction City Little Theatre, Inc. Ayes: Heldstab, Johnson, Talley, Taylor. Nays: none. Motion carried.

COMMISSIONER COMMENTS

Commissioner Taylor thanked the staff for accepting the furlough days. He stated that he feels bad for the Community. Commissioner Taylor stated that he has confidence in the City Staff.

Commissioner Johnson thanked Gerry and Cheryl for their work.

Commissioner Heldstab thanked the staff for their work. He also thanked Otto Wrestler for taking care of tree limbs on City property.

Commissioner Talley thanked the Commission for a good discussion that resulted in a good decision. It was nice to work together.

STAFF COMMENTS

ADJOURNMENT

Commissioner Heldstab moved, seconded by Commissioner Taylor to adjourn at 10:18 PM Ayes: Heldstab, Johnson, Talley, Taylor. Nays: None. Motion Carried.

APPROVED AND ACCEPTED THIS 21th DAY OF SEPTEMBER 2010 AS THE OFFICIAL COPY OF THE JUNCTION CITY CITY COMMISSION MINUTES FOR SEPTEMBER 7, 2010.



Tyler Ficken, City Clerk



Mike Rhodes, Vice Mayor